807. [*Transferred to the 21st November*, 1986.]

Sale of Contraband Textiles

808. SHRI CHIMANBHAI MEHTA: Will the Minister of FINANCE be pleased to state:

(a) what is the quantum of money earned through the sales of contraband textiles during the last three years;

(b) what is the estimated percentage of seized contraband textiles compared to overall smuggled textiles per annum;

(c) what is the incentive for smuggling of textiles in reference to local product, i.e. what is the difference in prices for the same kind of goods;

(d) whether local textiles are costly because of high excise duty on raw materials used in the manufacture of finished goods; and

(e) what are the figures of "excise component" in the total cost of a polyster saree worth Rs. 200?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) The total value of confiscated synthetic fabrics disposed of during the years 1983, 1984 and 1985 is given below:—

(*Rs. in crores*)

Year	*Value*
1983	5.63
1984	7.36
1985	9.89

(b) Reports received by the Government and seizures made indicate that synthetic fabrics continue to be an item sensitive to smuggling into the country. Smuggling is a clandestine activity and therefore no reliable estimate of the value of synthetic textiles smuggled into the country is feasible. However, the market value of the smuggled synthetic fabrics seized in the country during the years 1983, 1984 and 1985 is given below:—

(*Rs. in crores*)

Year	*Value*
1983	15.00
1984	18.39
1985	16.48

(c) Synthetic fabrics of foreign origin may be favoured for smuggling into the country due to various factors like profitability, better design and quality vis-a-vis Indian product, etc.

(d) Higher prices of synthetic fabrics in India are due to variety of reasons such as lack of economy of scale of production, higher input costs, old technology employed, etc. It cannot be attributed to levy of excise duty on raw materials used in the manufacture of synthetic fabrics.

(e) In the absence of any data relating to fabric composition, weight of the fabrics and the assessable value of the fabrics under section 4 of the Central Excise and Salt Act, 1944, it may not be possible to determine the excise component on polyester sarees as Excise duties are dependent on all these factors.

Suspension of Aid to India by Australia

809. SHRI HARVENDRA SINGH HANSPAL: Will the Minister of FINANCE be pleased to state:

(a) whether Australia has suspended aid to India due to economic difficulties;

(b) if so, how much aid Australia used to provide to India every year and the purpose of providing such aid; and